

**UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES
NEW YORK BRANCH OFFICE**

ALARIS HEALTH AT ROCHELLE PARK

and

Cases 22–CA–194401

**1199 SEIU UNITED HEALTH CARE
WORKERS EAST**

Chevella Brown-Maynor, Esq., for the General Counsel.
Katherine H. Hansen, Esq., for the Charging Party
David F. Jasinski, Esq., for the Respondent.

DECISION

STATEMENT OF THE CASE

BENJAMIN W. GREEN, Administrative Law Judge. This case was tried in Newark, New Jersey on September 8, 2017. The General Counsel contends that, since September 8, 2016,¹ the Respondent violated Section 8(a)(5) and (1) of the National Labor Relations Act (“Act”) by unilaterally eliminating holiday pay. For the reasons described below, I find that the Respondent violated the Act as alleged.

On the entire record and after considering the post-hearing briefs that were filed by the parties, I make these

FINDINGS OF FACT

I. JURISDICTION

The parties agree and I find that the Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act. The parties further agree and I find that the Charging Party Union is a labor organization within the meaning of Section 2(5) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICE

The Respondent operates a nursing home and rehabilitation center in Rochelle Park, New Jersey. The Union represents the following appropriate bargaining unit of employees:

All CNAs, dietary, housekeeping, recreational aides, LPNs, and all other employees excluding professional employees, registered nurses, cooks,

¹ All dates refer to 2016 unless indicated otherwise.

confidential [employees], office clerical employees, supervisors, watchmen and guards.

5 The parties' most recent collective-bargaining agreement, now expired, was effective for the period April 1, 2010 through March 31, 2014. The contract contained, in Article 12, a provision regarding holidays, which states in part as follows:

10 B. Should it be necessary for an employee to work on any of the holidays to which he/she is entitled, the employee shall receive his/her regular straight time pay in addition to holiday pay.

15 E. In lieu of payment to an Employee for working on a holiday, by mutual consent, the Employer may grant such employee a day off with pay within thirty (30) days of the holiday worked.

20 The parties agree that, under the contract and continuing thereafter until September 1, employees who worked on a holiday could (subject to certain qualifications) choose between an additional day of pay and an additional day of leave with pay.² Employees would make this election of holiday pay or holiday leave by submitting a Time Off Request form to the Director of Nursing. Certified nursing assistant ("CNA") and shop steward Maxsuze Predestin testified that she would write on the Time Off Request form the name of the holiday (e.g., Labor Day) and either
25 "paid out" (if she wanted to receive holiday pay) or the date she wanted off (if she wanted to receive holiday leave).

30 On September 8, Predestin saw the following notice posted near the time clock:

September 8, 2016

To All Employees previously receiving holiday payout:

Effective immediately and beginning with pay period 8/21/16 — 9/3/16 holiday payout has been canceled. Please request the day off for your holidays.

Thank you.

Business Office

40 Predestin was with her co-worker and fellow shop steward Marie Moise when they saw the notice.

45 Predestin and Moise went to speak with then Director of Nursing Maileen Baluyot and asked about the change in holiday pay. Baluyot confirmed that there would be no more holiday pay and indicated that she could not do anything about it because the notice came from "corporate."

Predestin took a picture of the notice and sent it to Union administrative organizer Leilani Montes. Predestin then called Montes and told her what happened. Montes testified

² Holiday pay for a full-time employee consisted of 7-½ hours of pay, while holiday pay for a part-time employee consisted of a pro rata percentage of 7-½ hours.

that she did not receive prior notice from the Respondent of the elimination of holiday pay before she learned of the September 8 notice from Predestin.

5 Despite the notice, Predestin, Moise, and two other CNAs filled out Time Off Request forms with requests to receive holiday pay for Labor Day. They submitted these forms to Baluyot, but Baluyot refused to sign the forms or approve their requests for holiday pay.

10 When the notice was first posted on September 8, Administrator Roy Santos was on vacation. He returned from vacation about a week later. When Santos returned from vacation, Predestin and Moise went to speak with him regarding the holiday pay notice. Predestine took the notice down and brought it with her to show Santos. Santos said he was
15 unaware of it and would get back to her. Predestin and Moise asked Santos to sign their forms seeking holiday pay for Labor Day, but Santos refused to do so until he spoke to someone in corporate. The next day, Santos told Predestin and Moise that corporate said there would be no more holiday pay. Santos did not sign their holiday pay request forms.

20 Predestin testified that she did not request holiday pay for holidays worked after Labor Day because she did not believe the requests would be granted. Instead, she asked for holiday leave. Predestin noted that, if she did not ask for and take a day off within 30 days of the holiday, she would lose it.

25 Montes testified that the Union did not grieve the change in holiday pay because the contract had expired.

ANALYSIS

30 It is a violation of Section 8(a)(5) and (1) of the Act to make unilateral changes to wages, hours, and other terms and conditions of employment that are mandatory subjects of bargaining. Holiday pay is a mandatory subject of bargaining. *LM Waste Service Corp.*, 360 NLR 856, 864 (2014); *Pine Brook Care Ctr., Inc.*, 322 NLRB 740, 743-44 (1996); *The*
35 *Pantry Restaurant*, 341 NLRB 243, 245 (2004).

The Respondent does not deny that, until September 1, employees were entitled to choose between holiday pay and holiday leave (in lieu of pay) for work performed on a holiday. This policy was spelled out in Article 12 of the contract and continued in effect after
40 the contract expired.

The evidence established that, on September 8, the Respondent unilaterally changed its policy on holiday pay. The September 8 notice clearly stated that the "holiday payout has been cancelled" and directed employees to "request the day off for your
45 holidays." Thereafter, Baluyot and Santos both confirmed that holiday pay had been eliminated and refused to approve employee requests for holiday pay. The Respondent did not notify the Union before it posted the change in holiday pay and implemented it.

The Respondent contends that the Union waived its right to bargain over holiday pay by failing to grieve the change or request bargaining over the subject. I reject these contentions. First, it is well settled that the unilateral announcement and implementation of a change on a mandatory subject of bargaining violates the Act if it is presented as a fait accompli, regardless of whether the union requests bargaining thereafter. *Century*

Restaurant and Buffet, Inc., 358 NLRB 143, 159–60 (2012); *Pontiac Osteopathic Hospital*, 336 NLRB 1021, 1023-24 (2001). Here, the Respondent did not provide the Union with advance notice and a meaningful opportunity to bargain over the elimination of holiday pay before the change was announced and implemented. Rather, the change was announced and implemented as a fait accompli, and the Union did not waive its right to bargain by not demanding bargaining after the fact.

Second, the Union was under no obligation to grieve the change in holiday pay where the contract had expired. An arbitration provision does not continue in effect after the expiration of a collective-bargaining agreement and pre-arbitration deferral of an unfair labor practice charge is not appropriate where the underlying grievance will not be subject to binding arbitration. *Litton Financial Printing v. NLRB*, 501 U.S. 190 (1991); *Collyer Insulated Wire*, 192 NLRB 837 (1971).

I also reject the Respondent's contention that employees continued to receive the holiday benefit. The notice was posted on September 8, the change was confirmed by management, and employee requests for holiday pay were denied.³ Employees were not required to request holiday pay for each holiday thereafter in order to establish that the Respondent's change in policy was still in effect. By requesting holiday leave instead of holiday pay, employees were merely abiding by the Respondent's new policy. The Respondent never gave employees or the Union any indication that the old policy on holiday pay had been reinstated or that the unilateral change in holiday pay had been retracted. Although employees did continue to receive holiday leave in lieu of pay, they were no longer entitled to the option of choosing holiday pay. The elimination of this choice dramatically changed and diminished the holiday benefit. Further, if employees did not designate a day of leave within 30 days of the holiday, they would have lost the benefit altogether.

Based upon the foregoing, I find that the Respondent violated Section 8(a)(5) and (1) of the Act by unilaterally eliminating holiday pay.

CONCLUSIONS OF LAW

1. The Respondent, Alaris Health at Rochelle Park, is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

2. The Charging Party Union, 1199 SEIU United Healthcare Workers East, is a labor organization within the meaning of Section 2(5) of the Act.

3. By unilaterally eliminating holiday pay, as described above, the Respondent violated Section 8(a)(5) and (1) of the Act. The Respondent's unfair labor practice described above affects commerce within the meaning of Section 2(6) and (7) of the Act.

³ The General Counsel and the Union served the Respondent with subpoenas *duces tecum* for payroll records, and requested adverse inferences as to the termination of holiday pay based upon the Respondent's alleged failure to comply with those subpoenas. However, the record amply demonstrates the Respondent's termination of holiday pay, and I do not find it necessary to address the issue of inferences in lieu of such evidence.

THE REMEDY

Having found that the Respondent engaged in the aforementioned unfair labor practice, I will order the Respondent to cease and desist from engaging in such conduct and to take certain affirmative action. The Respondent shall be required to post a notice that assures its employees that it will respect their rights under the Act. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. *J. Picini Flooring*, 356 NLRB 11 (2010).

The Respondent shall also be required to make employees whole by giving them the opportunity to retroactively elect holiday pay and be awarded backpay for any holidays they worked since holiday pay was eliminated. The Board is authorized by Section 10(c) of the Act to take such affirmative action as will effectuate the policies of the Act and constitute the most practical means available to put employees back into the position they would have enjoyed in the absence of the unfair labor practice. *Albar Industries, Inc.*, 322 NLRB 298 (1996). Here, although employees continued to receive holiday leave, they were denied the option of electing holiday pay for work performed on holidays. It would not be fair to condition the receipt of holiday pay as a remedy in this case upon a requirement that employees refrained from electing holiday leave. If employees had chosen not to elect a day of holiday leave within 30 days of holidays they worked, they risked losing the holiday benefit entirely. The gravamen of the unfair labor practice is a loss of pay and fairness requires the restitution of holiday pay, even if it results in a windfall of leave.⁴ *Id.*

Having found that the Respondent has violated Section 8(a)(5) and (1) by unilaterally eliminating holiday pay, I will order the Respondent to make bargaining unit employees whole as described above. Backpay shall be computed in accordance with *Ogle Protection Service*, 183 NLRB 682 (1970) *enfd.* 444 F.2d 502 (6th Cir. 1971) with interest at the rate prescribed in *New Horizons*, 283 NLRB 1173 (1987), compounded daily as prescribed in *Kentucky River Medical Center*, 356 NLRB 6 (2010).

In addition, I will order the Respondent to compensate bargaining unit employees for the adverse tax consequences, if any, of receiving lump-sum backpay awards, and to complete the appropriate paperwork as set forth in IRS Publication 957 to notify the Social Security Administration what periods to which the backpay should be allocated. *Latino Express, Inc.*, 359 NLRB 518 (2012).

⁴ The Respondent did not contend that employees who retroactively elect holiday pay as a remedy in this case should be required to forego an equivalent amount of leave (if they previously received holiday leave in lieu of holiday pay), and I did not take evidence and argument on the practicality or equity of such a requirement. However, nothing in this decision shall prevent the parties from discussing such a modified remedy and addressing the appropriateness of it in a compliance proceeding.

In light of these findings of fact and conclusions of law and on the entire record, I issue the following recommended⁵

5 **ORDER**

The Respondent, Alaris Health at Rochelle Park, New Jersey, its officers, agents, successors, and assigns, shall

10 1. Cease and desist from

15 (a) Unilaterally eliminating and refusing to provide holiday pay to employees who request it without first notifying the Union, 1199 SEIU United Health Care Workers East, and giving the Union an opportunity to bargaining.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

20 2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Before eliminating holiday pay, notify and, on request, bargain with the Union as the exclusive collective-bargaining representative of unit employees.

25 (b) Rescind the elimination of holiday pay that was unilaterally announced and implemented on September 8.

30 (c) Make unit employees whole for any lost earnings and other benefits suffered as a result of the unlawful unilateral elimination of holiday pay. Backpay shall be computed in accordance with *Ogle Protection Service*, 183 NLRB 682 (1970), with interest as prescribed in *New Horizons for the Retarded*, 283 NLRB 1173 (1987), plus daily compound interest as prescribed in *Kentucky River Medical Center*, 356 NLRB 6 (2010).

35 (d) Compensate employees who lost wages due to the unlawful elimination of holiday pay for the adverse tax consequences, if any, of receiving a lump-sum backpay award, and file a report with the Social Security Administration allocating the backpay award to the appropriate calendar quarters.

40 (e) Preserve and, within 14 days of a request, or such additional time as the Regional Director may allow for good cause shown, provide at a reasonable place designated by the Board or its agents, all payroll records, social security payment records, timecards, personnel records and reports, and all other records, including an electronic copy of such records if stored in electronic form, necessary to analyze the amount of
45 backpay due under the terms of this Order.

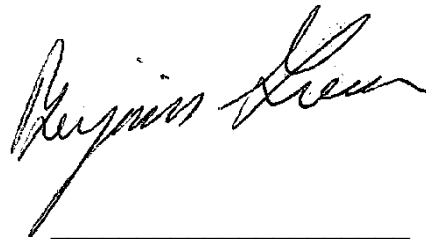
⁵ If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

(f) Within 14 days after service by the Region, post at its facility in Rochelle Park, New Jersey, copies of the attached notice marked "Appendix." Copies of the notice, on forms provided by the Regional Director for Region 22, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. In the event that, during the pendency of these proceedings, the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since September 1, 2016.

(g) Within 21 days after service by the Region, filed with the Regional Director for Region 22 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that Respondent has taken to comply.

Dated: November 8, 2017

New York, N.Y.



Benjamin W. Green
Administrative Law Judge

APPENDIX

Notice To Employees Posted by Order of the National Labor Relations Board An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT unilaterally eliminate holiday pay without notifying the Union, 1199 SEIU United Health Care Workers East, and giving the Union an opportunity to bargain.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce our employees in the exercise of rights guaranteed by Section 7 of the Act.

WE WILL make whole all employees affected by our unilateral elimination of holiday pay.

ALARIS HEALTH AT ROCHELLE PARK

(Employer)

Dated: _____ By: _____
(Representative) (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlr.gov.

20 Washington Place
5th Floor
Newark, NY 07102-3110
Phone: 973-645-2100

The Administrative Law Judge's decision can be found at www.nlr.gov/case/29-CA-94401 or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street, S.E., Washington, D.C. 20570, or by calling (202) 273-1940.



THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER, (973) 645-2100